

An avid Ohio State alumnus and, especially, a fan of its football program, Dennis also enjoys reading science fiction and watching Cleveland Indians baseball.

LILLIAN M. ELMORE

As Deputy Administrator of the Eighth Appellate District of the Court of Appeals of Ohio, Lillian M. Elmore has many duties. She greets the public and answers their questions about the Court's processes, administers the motion docket, supplements files, updates the Court's data base and even acts as a Bailiff in some oral arguments.

Nominated by Chief Judge Patricia Ann Blackmon, Lillian has risen from being a clerk-typist to secretary to administrator in the more than two decades she has worked at the Court of Appeals.

Mother of Ricardo, she volunteers at Bedford High School, where Rico is a student, is a member of Mt. Olive Missionary Baptist Church and is also active in fund raising for many charities, including the United Negro College Fund.

Lil, as her friends know her, prides herself on being willing to go "the extra mile" to help others, and, for herself enjoys walking, aerobics and dancing, among other activities.

#### POPE RIGHT ON IRAQ—CLINTON POLICY HOLDS LITTLE HOPE FOR PEACE

##### HON. BOB SCHAFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 9, 1999*

Mr. SCHAFER. Mr. Speaker, His Holiness Pope John Paul II was right to use the occasion of his St. Louis visit to chastise Bill Clinton's handling of Iraq. A full month having passed since Operation Desert Fox, it remains unclear who stands the victor.

The coincident timing of impeachment-eve air strikes sparked rampant speculation about President Bill Clinton's motives and drew indignant insistence by the White House that U.S. national security was the singular interest. Today the pope finds himself among an ever-growing crowd of Americans unconvinced last month's missile attack was an absolute necessity and with the settling dust comes clarification of the uneasy truth: Saddam Hussein remains in power.

This fact controverts a December 17, 1998 call by Congress to finish the job. On a near unanimous vote, 221 Republicans, 195 Democrats, and one Independent adopted a resolution in support of our troops engaged in Desert Fox.

Congress also included in the measure a bold policy statement, "to remove the regime headed by Saddam Hussein from power in Iraq and to promote the emergence of a democratic government to replace that regime." In earnest, federal lawmakers had authorized \$110 million for the political liberation of Iraq. The Clinton administration has so far used only \$58,000 to host a conference on the topic.

Clinton's own signature on a separate Iraq Liberation Act earlier in 1998 also called for Saddam's removal giving every indication the administration concurred with Congressional intent to finally address the underlying cause of Iraq's belligerence—Saddam's ruthless regime.

However, one day into Operation Desert Fox, Defense Secretary Cohen confessed before a closed assembly of the U.S. House our plans did not include undermining Saddam's dictatorship. "The objective of the attack," he admitted, "is to go after those chemical, biological or weapons of mass destruction sites to the extent that we can." A Congressman followed up, "Why not go after his regime if that's what the problem is?"

Cohen replied, "We have set forth our specific targets, and that's what we intend to carry out." Across the Atlantic, British Defense Minister Robertson delivered the consonant line to Members of Parliament, "It's not our objective to remove Saddam Hussein from power."

Coupled with the historic record of Clinton's Iraq policy, his eagerness to launch missiles while neglecting chief U.S. objectives adds plausibility to the pontiff's skepticism. The president's stubborn devotion to the failing policy of "containment" has yielded little more than prolonged hardship for Iraq's 22 million civilians and unneeded strain on precarious international relationships.

The broad international coalition forged and maintained by President Bush during Desert Storm is now badly eroded. The indecision of the United Nations has effectively become the basis for U.S. policy by default.

Last week's proposal by France and Russia, for example, to completely lift sanctions was immediately answered by a counterproposal from the U.S. allowing Baghdad to sell unlimited amounts of oil. This exchange is another strong indication the economic embargo is rapidly disintegrating. Moreover, Iraq's weapons program is continuing to expand in the face of sporadic U.S. military reaction, the timing of which seems controlled as much by Clinton as by Saddam himself.

Periodic air and missile strikes have at best achieved only temporary obstacles for Saddam, but have proven ineffective in dampening the dictator's zeal to develop nuclear, chemical and biological weapons. The pope's statement in St. Louis "military measures don't resolve problems in themselves; rather they aggravate them" hits the mark in Clinton's case.

The president's indecisiveness to maintain a competent inspection regimen, and his abandonment of Iraqi opposition forces have effectively confined U.S. options to cat-and-mouse air strikes as far as the eye can see. For all of his stern lectern-pounding pronouncements about the importance of unimpeded weapons inspections, Clinton's support for the U.N. Special Commission (UNSCOM) mission turned out to be nothing more than rhetorical.

A recently released report by the House Republican Policy Committee details the inexplicable record of the Clinton administration. The report shows beginning in November of 1997, the White House secretly intervened to stop UNSCOM inspectors, directing UNSCOM to rescind orders for surprise searches of Iraqi weapons sites and attempting to fire Scott Ritter, a senior UNSCOM inspector, for carrying out inspectors Saddam found inconvenient. The administration intervened again in December of 1997 and in January of 1998 culminating in the removal of Ritter from Iraq in the middle of a new round of surprise inspections.

In March of 1998, U.S. and Britain withheld essential intelligence support for UNSCOM. In July, the two countries intervened again to call off a new schedule of inspections. Finally in

August, Secretary Albright personally intervened once more to cancel one of the most critical and promising rounds of surprise inspections. These actions ultimately resulted in Ritter's resignation citing the Clinton administration's refusal to let UNSCOM do its job.

Clearly the president's precipitous policy in Iraq must be replaced by a serious one designed to legitimately achieve genuine U.S. objectives. We must adopt a proactive strategy to end Saddam's dangerous rule.

Mr. Speaker, America must reach out to a unified Iraqi opposition, expand its leadership among Iraqi citizens, strangle Saddam's economic lifeline, and systematically cripple his tyrannical rule. Absent a tactical plan to remove Saddam, he will succeed in breaking out of the Gulf War peace agreement, acquiring weapons of mass destruction, and assembling the means to deliver them.

Only when Saddam's regime is replaced with one respectful of its neighbors and of its own people will liberty have a chance in the Middle East. Until then, peace doesn't have a prayer, no matter how many times John Paul II comes to America.

#### SOCIAL SECURITY GUARANTEE INITIATIVE

##### HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 9, 1999*

Mr. RYAN of Wisconsin. Mr. Speaker, today I have introduced the Social Security Guarantee Initiative. This legislation would express Congress' commitment to protecting all Social Security benefits to current and soon-to-be retirees.

Last week, Congress received the President's budget request for next year. A major priority for this Congress and for this President is the need to save Social Security for present and future generations. Several proposals have been brought forward and will be debated extensively this session of Congress. The President has proposed investing some of the payroll tax revenues in the stock market. The problem is, the President wants a Washington-based government board to decide which stocks to buy and in which companies the government might take a share.

A better idea would be to allow individuals and families to make those decisions. A government board will inevitably be influenced by politics. Mixing politics with Americans' retirement could have disastrous consequences.

In all of this discussion, however, to reform Social Security, many seniors in Wisconsin and throughout the country have expressed their concerns that any reforms would ultimately end up costing them something. While we must improve the system for working Americans, the benefits today's senior have come to count on cannot and will not be changed in any way. As we move forward to reform Social Security, I believe we must send a bipartisan message to our nation's seniors that, while we must fix Social Security for future generations, current and imminent retirees will be held harmless.

The Social Security Guarantee Initiative would protect all guaranteed benefits for current retirees and those nearing retirement. We have a historic opportunity to preserve the nation's Social Security program. I look forward

to working with the senior community in my District and my colleagues in Congress on this important issue.

GIFTED AND TALENTED STUDENTS EDUCATION ACT OF 1999

**HON. ELTON GALLEGLY**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 9, 1999*

Mr. GALLEGLY. Mr. Speaker, All Children deserve to be educated to their fullest potential. It is for this reason I am reintroducing my measure today from last Congress, the Gifted and Talented Students Education Act, along with my colleagues, Representatives BALDACCI, BARRETT (NE), ETHERIDGE, DAVIS (FL), ACKERMAN, SHOWS, and MORELLA.

Currently, the educational needs of our most talented students are not being met. Secretary of Education Richard Riley has even referred to this situation as a "quiet crisis." As a result, these students are not reaching their full potential and not performing at world-class levels. This was clearly demonstrated by the disappointing results of Third International Math and Science Study (TIMSS) where our brightest students scored poorly and were not able to compete with their international counterparts. Our nation must foster excellence in these students who will become leaders in areas such as business, the arts, the sciences, and the legal and medical professions.

The Gifted and Talented Students Education Act would provide incentives, through block grants, to states to identify gifted and talented students from all economic, ethnic and racial backgrounds—including students of limited English proficiency and students with disabilities—and to provide the necessary programs and services to ensure these students receive the challenging education they need. Funding would be based on each state's student population, with each state receiving a minimum of \$1 million per year.

I know you are as committed as I am to ensuring our nation's youth have all the tools they need for their future. I encourage all of my colleagues to join me in pursuing this legislation which will ensure our nation's gifted and talented students reach their fullest potential and to ensure we have a new generation of Americans ready to meet the demands of the 21st Century.

HONG KONG TRANSITION—REPORT OF THE SPEAKER'S TASK FORCE

**HON. DOUG BEREUTER**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 9, 1999*

Mr. BEREUTER. Mr. Speaker, this Member rises today to submit the Fifth Quarterly Report of the Speaker's Task Force on the Hong Kong Transition. It has been more than eighteen months since Hong Kong reverted to Chinese sovereignty on July 1, 1997. Prior to that historic event, and at the request of former Speaker Newt Gingrich, this Member formed the House Task Force on Hong Kong's Transition. In addition to myself as Chairman, the

Task Force was bipartisanly balanced in its membership during the 105th Congress, including Representative HOWARD BERMAN (D-CA), Representative SHERROD BROWN (D-OH), Representative ENI FALEOMAVAEGA (D-AS), Representative ALCEE HASTINGS (D-FL), Representative Jay Kim (R-CA), Representative DONALD MANZULLO (R-IL), and Representative MATT SALMON (R-AZ).

The Task Force now has completed its Fifth Quarterly Report which assesses how the reversion has affected Hong Kong. The Fifth Report, which I submit today, covers the period of July through September 1998, during which there was no actual visit to Hong Kong by the Task Force. In the next several weeks the Sixth Quarterly Report will be completed and presented to Speaker DENNIS HASTERT and the House.

Mr. Speaker, this Member submits the Task Force Fifth Quarterly Report and asks that it be printed in full in the CONGRESSIONAL RECORD.

THE SPEAKER'S TASK FORCE ON THE HONG KONG TRANSITION, FIFTH REPORT, FEBRUARY 2, 1999

(Presented by the Honorable Doug Bereuter, Chairman)

*The following is the fifth quarterly report of the Task Force on the Hong Kong Transition. It follows the first report dated October 1, 1997, the second report dated February 25, 1998, the third report dated May 22, 1998, and the fourth report dated July 23, 1998. This report focuses on events and development relevant to United States interests in Hong Kong between July 1, 1998, and September 30, 1998—the fifth quarter following Hong Kong's reversion to China.*

The fifth quarter following Hong Kong's reversion to Chinese sovereignty on July 1, 1997, has been dominated by increasing concern about Hong Kong's economic situation. The good news is that Hong Kong has continued to enjoy substantial political economic autonomy following its reversion to Chinese sovereignty. Hong Kong continues to voice its own views in international economic fora, including the World Trade Organization (WTO) and APEC. On the bad news side, however, Hong Kong's economy has been dragged down by external factors and its strong currency. The driving forces of the slowdown are largely beyond the Hong Kong government's control and are not related to Hong Kong's reversion to Chinese sovereignty.

ECONOMIC DEVELOPMENTS

Hong Kong continued to suffer the negative effects of the Asian Financial Crisis, posting its third consecutive quarter of negative growth, as its first recession in thirteen years showed no sign of coming to a quick end. An early turnaround continues to appear unlikely. Hong Kong's GDP is now projected to shrink by four percent in 1998. (Official figures for the second quarter of 1998 show a GDP drop of 5.2 percent, following the first quarter's decline of 2.8 percent.) This would be the first annual economic contraction on record. Some Hong Kong companies have cut wages by 10 percent. Compared to the same period in 1997, total retail sales from January 1998 to July 1998 decreased by 15 percent in value, reflecting shrinking local consumer demand, reduced tourism, and the fall in asset markets. Hong Kong's stock market has dropped by roughly 50 percent since its peak in August 1997, property prices have fallen by as much as 60 percent, and unemployment has soared to a fifteen year high of five percent.

The budget deficit for fiscal 1998-99 may substantially exceed the current estimate of HK \$20 billion (US \$2.56 billion), which the

government announced in June. (The original government forecast for the fiscal year projected 3.5 percent growth and a budget surplus of about HK \$10 billion.) The budget deficit can be expected to retard growth in government expenditures over the next few years. Although the government had been promising a revised medium-range economic forecast since mid-August, it failed to produce one by the end of the quarter, indicating to some an unwillingness on the part of the government to face up to the full consequences of the recession on public spending. The government continues to insist that the currency peg to the U.S. dollar is here to stay, despite serious attacks by speculators. Defending the peg has required the government to keep interest rates high, further depressing economic growth, and was a major motivation for the government's decision to intervene in the stock market in August (see below).

The stock market's Hang Seng Index at one point fell to 6660, 44 percent below its highwater mark for 1998 on March 25. The market remained concerned about Japan's economy, China's commitment to maintaining the value of the *renminbi*, and regional economic woes. On August 14, the government intervened massively in the stock market, spending an estimated US \$15 billion (representing over 15 percent of Hong Kong's US \$96 billion reserves) to buy stocks, futures, and currency in an effort to keep share prices at levels that would punish speculators betting on a decline. The government later imposed more stringent trading regulations to make illegal trading and speculation more difficult. Even with the government's massive intervention, the market ended September at 7,883 points, down 48 percent since September 1997. Trading volume also plummeted, with the average daily turnover for the first nine months of 1998 standing at just 40 percent of the corresponding figure for 1997. In terms of value, average daily turnover fell 56 percent.

In defending their decision to intervene, senior Hong Kong officials cited fears that unnamed "foreign traders" were improperly manipulating Hong Kong's markets. They maintained it was not their intention to interfere with market forces, only to improve Hong Kong's ability to manage its monetary affairs. The government said the measures were necessary to counter harmful speculative activities and to stabilize interest rates. Some observers have expressed concern that the intervention could mark the beginning of a turn away from the global market. While this seems unlikely given Hong Kong's overwhelming dependence on foreign trade, the August market intervention does pose some worrisome questions. The Hong Kong government's unprecedented ownership of significant amounts of equity, both in Hong Kong-based companies and in PRC-related "Red Chips," has the potential to begin to affect official decision making in ways contrary to Hong Kong's traditions of free markets and transparency.

There is some positive economic news. Inflation is low and falling, with the year-on-year rate of increase in the composite consumer price index standing at 2.7 percent in August, down appreciably from 3.2 percent in July. The August figure was also the lowest monthly figure recorded since Hong Kong began tracking the year-on-year inflation rate in 1981. For the first time in a year, the unemployment rate did not increase in September, holding at the same five percent it reached in August. The tourism market recovered slightly in September, with tourist arrivals and hotel occupancy rates showing small increases over August figures. Hong Kong also still possesses substantial foreign currency reserves, even after the costly market intervention in August. The slump has